

U.S. DEPARTMENT OF STATE Office of the Spokesman January 19, 2001

STATEMENT BY SECRETARY OF STATE MADELEINE K. ALBRIGHT
AUSTRIAN RECONCILIATION, PEACE AND COOPERATION FUND

1. The United States and the Republic of Austria ("Austria") are proud to have worked together, in close partnership, towards the establishment of the Fund, "Reconciliation, Peace and Cooperation" ("Fund"). The establishment of the Fund is a significant achievement, as it will provide a measure of justice to over one hundred thousand victims of the Nazi era.

2. This statement explains why the establishment of the Fund is in the foreign policy interests of the United States and why it would be in the foreign policy interests of the United States for the Fund to be the exclusive forum and remedy for the resolution of all claims asserted against Austria and/or Austrian companies involving or related to the use of slave or forced labor during the Nazi era or World War II, as well as any other claims covered by the Fund.

3. The establishment of the Fund will significantly reduce the tensions surrounding a number of very sensitive issues. It will fund payments to victims of the Nazi era who otherwise would have to engage in continued litigation over the subject, without any certainty of recovery. The United States and Austrian Governments would inevitably be drawn into ongoing debates among victims' representatives. The debates would likely be contentious and, in the United States, result in threats of sanctions and boycotts, and political and legal action against Austrian companies and the Austrian Government. This could then trigger retaliatory action not only by Austria, but by the European Union as well. Merely the threat of sanctions and boycotts could have a chilling effect on our political and economic relations with Austria.

4. It is in the foreign policy interests of the United States to take steps to address the consequences of the Nazi era, to learn the lessons of, and teach the world about, this dark chapter in European history and to seek to ensure that it never happens again. To this end, the Fund, with 300 million of its capital dedicated to helping the heirs of deceased slave and forced laborers, significantly advances the United States' foreign policy interests.

5. Establishment of this Fund will strengthen the ties between the United States and our democratic ally and trading partner, Austria. Austria has supported our efforts to promote stability and democracy in Central and Eastern Europe. The end of the Cold War has reinforced Austria's position as an important gateway to Eastern Europe for trade and investment. Our ties to Austria thus are important to American interests in Europe, and particularly in Central and Eastern Europe. The establishment of this Fund will strengthen these ties.

6. Austrian-American cooperation has been exemplary throughout these discussions. Our two governments, represented by Deputy Treasury Secretary Eizenstat and Dr.

Schaumayer, have served as facilitators of this historic effort to continue to reconcile the complex and painful results of the Nazi era and the Second World War. The cooperation between Austria and the United States and the strong U.S.-Austrian relationship enabled the co-chairmen to resolve a series of very complex and difficult political issues during the negotiations. This cooperation has reflected the spirit of the close relationship that has developed between the United States and Austria during the past forty-five years. It is this relationship that establishment of the Fund will strengthen.

7. The Fund will cover, under relaxed standards of proof, over one-hundred thousand forced and slave laborers who worked on the territory of the present-day Republic of Austria, including those who worked for Austrian companies now defunct or not subject to U.S. jurisdiction, including SS companies and companies owned by the government. Indeed, the Austrian legislation will permit the partner organizations in Central and Eastern European countries to even pay forced agricultural workers. For these groups of people, the Fund represents a unique avenue for obtaining a measure of long-awaited justice.

8. The establishment of this Fund will also serve as one of the high points in the United States' relationship with the Central and Eastern European Governments that signed the Joint Statement on the Occasion of the Signing Ceremony of the Bilateral Agreements relating to the Austrian Reconciliation Fund. As a result of the close cooperation between the United States and the participating Central and Eastern European Governments, thousands of residents of Central and Eastern Europe, who were not eligible to receive payments under the German Foundation "Remembrance, Responsibility, and the Future," will be receiving a long-awaited and deserved measure of justice. One of the most important achievements of the Foundation will be to provide a measure of justice not only to Jewish victims of the Nazi era, but belated recognition and payments to these double victims of two of the 20th Century's worst evils -- Nazism and Communism.

9. For all of the above reasons, and because the Austrian Government asked the United States to work as partners with it in facilitating this historic initiative, from February 2000 until October 2000, the United States played a central role in facilitating discussions among the Governments of Austria, Belarus, the Czech Republic, Hungary, Poland, Russia, and the Ukraine, and the Conference on Jewish Material Claims to establish this Fund, which will provide funds for dignified payments to those who worked as private and public sector forced and slave laborers during World War II and the Nazi era on the territory of the present-day Republic of Austria.

10. The Austrian Federal Government and Austrian companies have agreed to contribute AS 6 billion to establish this Fund. In return, they seek and deserve legal peace with respect to claims against Austria and/or Austrian companies involving or relating to the use of slave or forced labor during the Nazi era or World War II and any other claims covered by the Fund.